

**STATEMENT BY**  
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**LOCAL 2571**

**TO**

**HOUSE COMMITTEE ON VETERANS' AFFAIRS**  
**SUBCOMMITTEE ON BENEFITS**

**AT THE EL PASO, TEXAS, FIELD HEARING**  
**ON PROCESSING VETERANS' DISABILITY BENEFIT CLAIMS**

**April 26, 2002**

Chairman Simpson and Democratic Ranking Member Reyes, my name is Barbara Cook. I am the President of the American Federation of Government Employees (AFGE) Local 2571. I am the proud wife of a Vietnam Era veteran. My AFGE Local is proud to represent 389 workers at the Waco Regional Office of the Veterans' Benefits Administration (VBA). The Waco Regional Office includes the out-based locations in El Paso, Tyler, Dallas, Fort Worth, Amarillo, Lubbock, Austin, Temple, Fort Hood, Killeen, Big Spring, and Hillsboro. The men and women AFGE Local 2571 represents care deeply about providing benefits and services to veterans and their families. Roughly half of the workers who rate a veteran's disability claim (or rating specialists) are veterans themselves. The employees at our VBA Regional Office want to provide veterans and their families with responsive, timely and compassionate service.

AFGE applauds you for holding this oversight hearing. We greatly appreciate the opportunity to share with you the perspective of the frontline workforce on the current claims processing system.

In the past several years a convergence of three trends has made work at the VBA more chaotic and difficult.

First, the nature of compensation and pension (or C&P) adjudication has grown increasingly complex and legalistic. Preparing or rating a compensation claim requires the ability to review and evaluate technical medical information by complex legal standards of proof. For example: claims dealing with radiation exposure and Agent Orange exposure often deal with issues of statistical risk and exposure rates. Gulf War claims deal with the often confusing concept of undiagnosed illnesses. These claims are very different than the claims filed by most WWII veterans.

Second, at the same time that the presumptions involved with claims and establishment of claims have become more complex and legalistic, management has responded with new initiatives, shifts in philosophy, transformations in priorities, new benchmarks, and new computer programs. While each initiative du jour may have merit, in aggregate they create a constant state of reorganization and revamping of processes. This reduces our effectiveness. The constant and chaotic state of change is hard on employees. It distracts us from "the prize" --- to provide veterans with responsive and quality service.

Third, our workforce is changing. In anticipation of the nearing retirement of more and more VBA claims examiners, VBA has hired new staff. This means that at our office we have a group of employees who are very seasoned and experienced, and a group of employees who are still learning many of the basics of C&P. It takes a minimum of two years for a new rating specialist to become proficient enough to process claims with minimal supervision. Even with two years of experience most rating specialists need assistance in evaluating claims

involving multiple medical issues. In my office 63% of the rating specialists have two years or less than two years experience. Some 23 out of our 79 rating specialists have less than one year's experience. The three rating specialists in the El Paso location all have less than two years experience.

I would like to highlight how the confluence of these trends has impacted our ability to process veterans claims for compensation.

The latest VBA initiative is production quotas. AFGE appreciates Admiral Cooper's leadership in trying to better serve veterans by processing their claims more quickly. At first glance a concentrated emphasis on processing a high number of claims and reducing our case backlog would appear reasonable. It would appear to be an objective performance measure and sound basis for holding VBA employees and management accountable for their performance. However, these production quotas as implemented may be unrealistic and may undermine our goal to provide veterans with fair and accurate decisions.

The Waco Regional Office must rate 4,000 claims a month in order to meet our production quota. Many offices have been given exorbitantly high quotas. For example, the offices in Pittsburgh, Los Angeles, New York, Phoenix, Chicago, Wilmington, Columbia, Manchester and Fort Harrison have been directed to double their production, or pay the price. If an office does not meet its quota of rating claims the Regional Office Director may lose his or her job. Individual employees are also at risk if they fail to meet a daily production quota.

With these steep quotas the message is clear: you must finalize a specific number of claims each day, no matter what. With the push on numbers, AFGE is very concerned that employees will be compelled to take short cuts to meet their quotas and that our quality of work will suffer. AFGE believes that these high quotas may ultimately be hurting veterans because accuracy and quality are not as important in this numbers game.

In FY 2001 the national accuracy measurement for quality was 81% nationwide. It is our understanding from management that the first quarter of FY 2002 shows a nationwide decrease in rating quality.

Employees are frustrated and feel they are between a rock and a hard place. They want to do quality work and ensure that veterans receive all the benefits they have earned and deserve but employees feel they may be compelled to take short cuts to meet the numbers game.

In preparation for this hearing I asked AFGE union leaders in VBA to survey rating specialists at their VBA offices for candid and anonymous information on how they are processing claims to meet the high production quotas. I wanted to verify whether our fears about how the quotas are impacting quality were

justifiable.

Unfortunately, rating specialists, of various levels of experience, uniformly acknowledged that due to the pressure to meet their daily production quotas they are compelled to pick the cases with few issues to process first. The unintended consequence of the high production quotas is that cases involving Hepatitis C, radiation exposure, Gulf War undiagnosed illnesses, or with multiple medical evidence are worked later because these claims require more research time to work. AFGE believes this is unfair to veterans and the production quotas should be adjusted to ensure that rating specialists are not penalized for tackling the cases that are not as easy to rate. AFGE believes that production quotas should be adjusted to permit a more comprehensive review of multiple sources of medical records.

Rating specialists also believe that the production quotas require that they review cases speedily and, unfortunately, hastily.

AFGE is also concerned that intense and considerable pressure to meet high production numbers creates a disincentive for managers to spend the time needed to train employees adequately. Historically in the VBA new rating specialists were expected to receive considerable training over two years in order to grasp the knowledge and skills needed to rate a veterans claim carefully and fairly. Now training is truncated to teach trainees 70% of what they need to know in about six months and to get trainees rating cases and meeting their quotas as fast as possible, with little if any mentoring.

The constant pressure to produce numbers has also sidelined recurring training. Whenever Congress establishes or modifies new presumptions we need training to ensure that veterans receive consistent and fair claims development and adjudication under these new or modified standards. Whenever case law significantly alters processes or standards of proof we need training. The current quota system does not permit time for this needed ongoing training. If rating specialists do not keep current with changes in the law, veterans suffer because rating specialists will not be rendering decisions on their cases based on the correct legal standards.

In the long run ongoing training for rating specialists is key to providing veterans with fair, accurate and consistent decisions. AFGE believes that the quotas should be adjusted to encourage adequate ongoing training.

VBA is pressing employees to produce more and more cases, but VBA has limited the use of overtime. At the Waco regional office we can only make our monthly quotas because we used overtime in the last two weeks of the month. It is clear that without overtime we could not meet our production quotas. The consistent use of overtime each month to meet production quotas suggests that

the quota levels are excessive.

We are also concerned by VBA's overall approach to overtime. VBA is starving offices that are having difficulties meeting monthly quotas. This approach appears punitive to staff and ultimately will hurt veterans.

#### How can claims processing be improved?

The Veterans Health Administration (VHA) has succeeded in improving patient safety by looking for vulnerabilities in the health care system. This systemic approach eschews blaming individual practitioners for medical errors. Under the VHA's model to improve patient safety, VHA conducts root cause analyses to identify ways in which the delivery of health care can be improved. One VHA touted improvement in patient safety is the use of bar code scanners to verify that the correct type and dose of medication is being delivered to the correct patient. Rather than blame doctors, nurses and pharmacists for medication errors, VHA has instituted a process to check for and avoid medication errors.

AFGE believes that a similar systemic approach must be used to improve claims processing. I would like to highlight two weaknesses in our current claims processing system.

A widely recognized vulnerability in our ability to accurately and quickly process veterans claims is VBA's limited ability to get access to needed military records.

VBA has had success in expediting the resolution of claims pending over one year for veterans age 70 and over through the Tiger Team initiative because of improvements in the retrieval of military records. Special arrangements have been formalized with the Department of Defense's National Personnel Records Center (NPRC) to retrieve military records for the Tiger Team's cases. These special arrangements have caused the NPRC's productive output to double and information to the Tiger Team is routinely provided within two days. In my office it can routinely take three to four months to even get the NPRC to tell us that they simply cannot find any medical records for the veteran.

Special arrangements have also been made with the United States Armed Services Center for the Research of Unit Records (CRUR) and the Defense Threat Reduction Agency to secure needed evidence in an expeditious manner for Tiger Team claims.

It is clear that improving the timeliness of NPRC's and CRUR's responses to our request for military records dramatically improves our ability to fairly, accurately and quickly render a decision on a veteran's compensation and pension claim. If VBA can make special arrangements to get prompter service from these key agencies for some claims, why can't special arrangements be made for all

claims?

Another widely recognized vulnerability in our claims processing system is the disjointed nature of VBA's information technology (IT) systems.

New IT programs should assist staff in meeting the high production quotas, but in many instances the computer programs may slow down the actual decision making process. The Rating Board Automation 2000 (RBA 2000) program, which is used by rating specialists to compile data and generate rating decisions, is more time consuming.

In VBA's zeal to monitor progress in reducing the claims backlog, VBA has implemented computer programs designed to capture data about the processing of claims and the claims themselves. These monitoring systems do not add speed to the process. Moreover, VBA still requires employees to re-enter duplicative data into multiple system programs because VBA has not integrated existing information technologies. All computer system programs that existed in 1977 remain and have been joined by others such as the Control of Veterans Records (COVERS) program, which electronically tracks the physical movement of a veterans claim file throughout the office, the Veterans Appeals Control and Locator System (VACOLS) which tracks the chronology of the veteran's appeal of a rating decision, the Claims Automated Processing System (CAPS) which tracks the filing, development, decision and final action of a veterans claim, but will not track the physical location of the file, and RBA 2000. Each program may have added value to monitoring the claims process, but in aggregate they have not reduced duplication or processing times because these systems are stand-alone programs that do not communicate with each other.

AFGE believes that claims processing times could be improved if VBA would integrate and universalize information technology applications.

In conclusion, AFGE believes that the current production quotas are unrealistic.

AFGE believes that to dramatically improve claims processing the VBA should be working to resolve weaknesses in our ability to obtain needed military records. The VBA should also move forward to assess and improve current IT initiatives by integrating systems.

I thank you for the opportunity to testify today and to offer you a view from the trenches of claims processing.